

Project Management of Human Resources for a Growth Strategy

Techint Group of Companies

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November 10th, 2008



Agenda

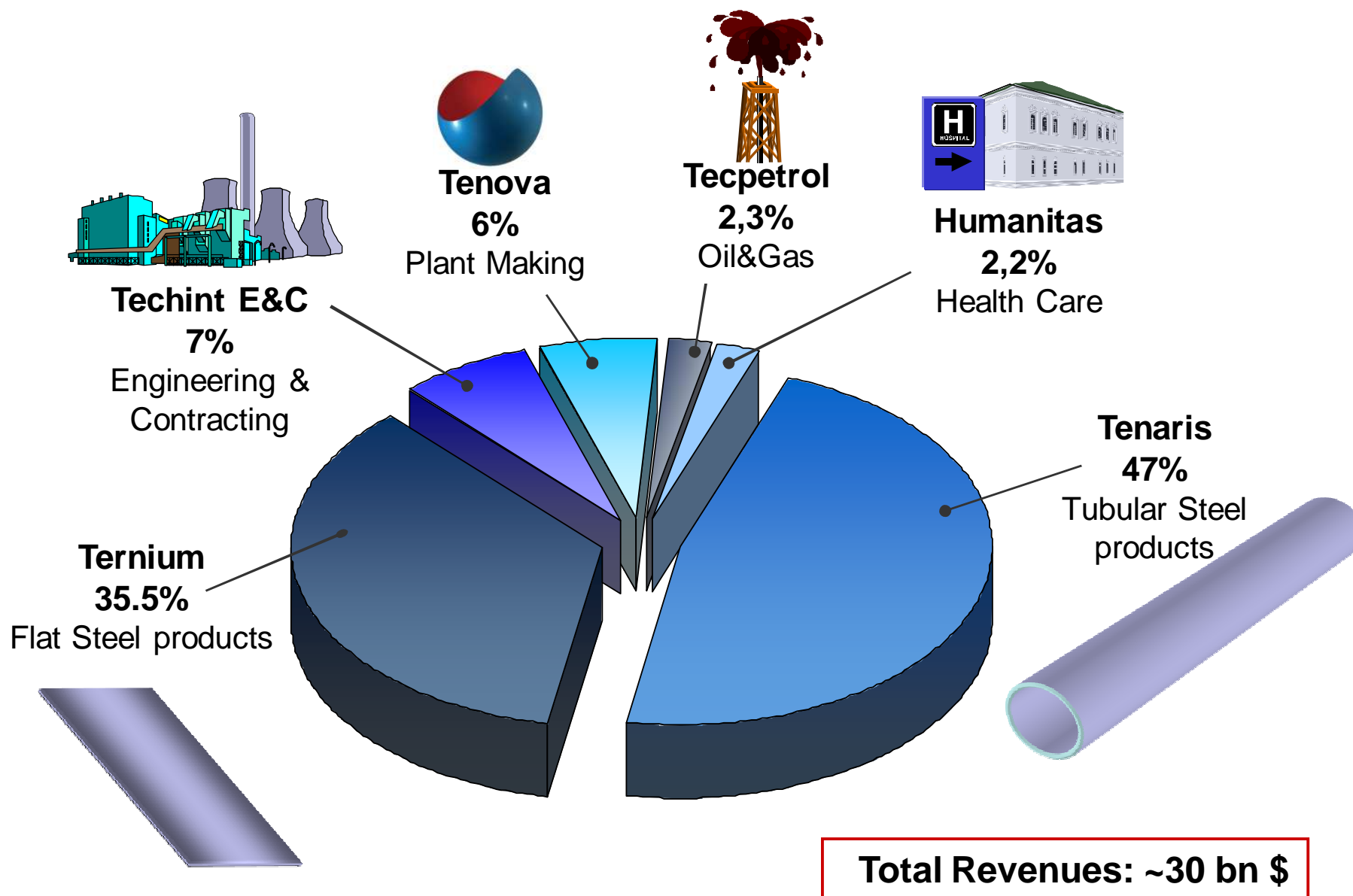


- ❑ **Techint Group of Companies: Key Figures**

- ❑ **Project 1. Internal Development & Young Professional Program for Growth**

- ❑ **Project 2. Identifying & Developing Executive Talents**

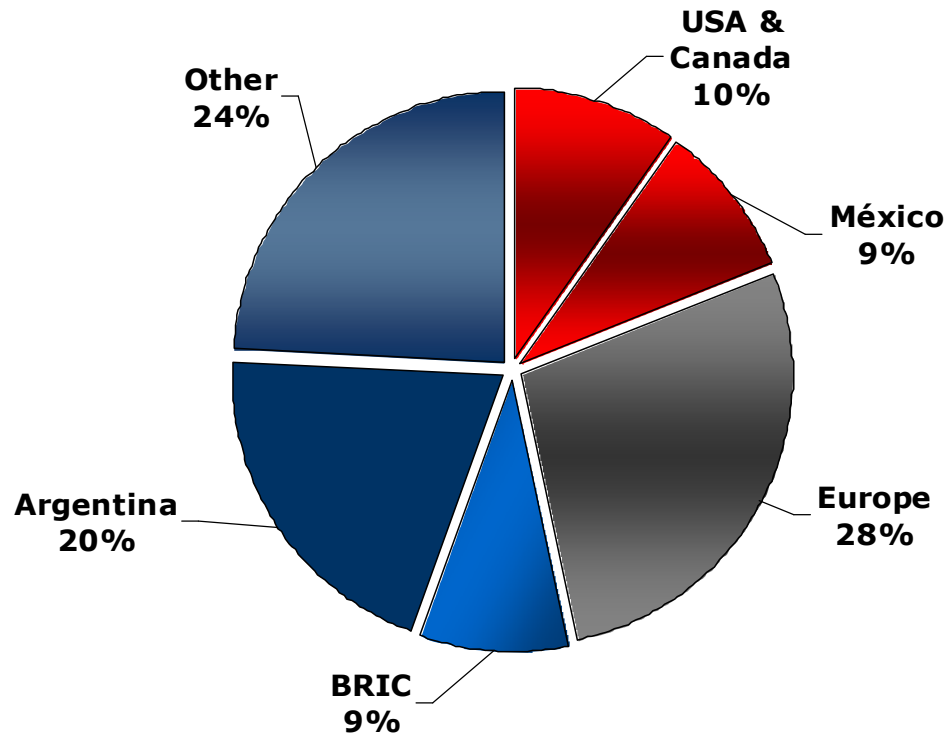
Techint Group of Companies



Techint Group - Key Figures: Sales by Market

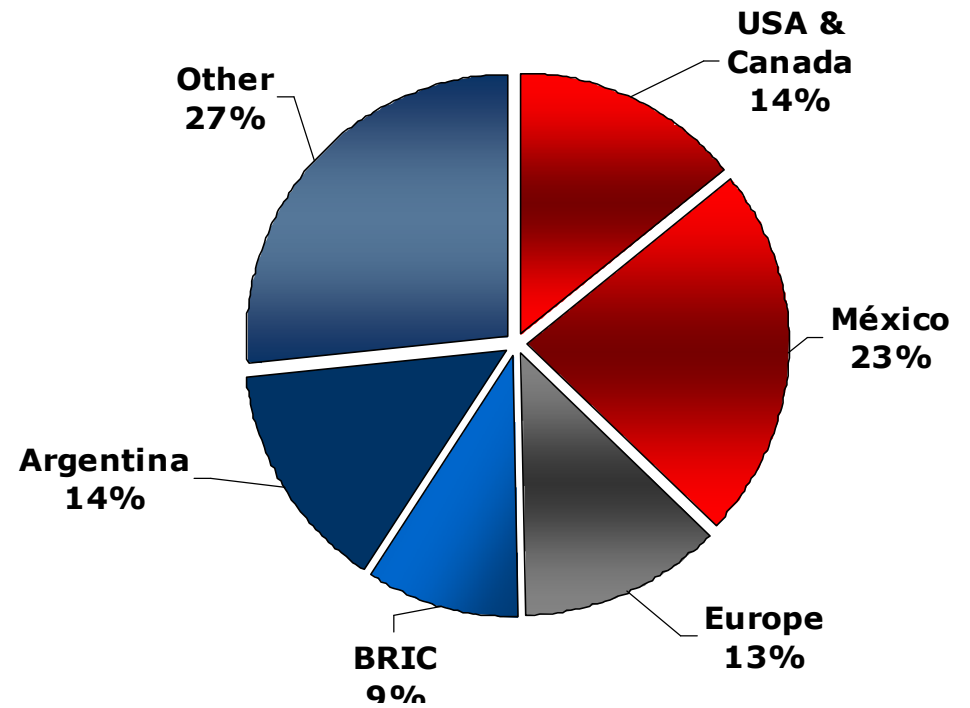


Sales '03-04
US\$ - 6,5 billion



NAFTA = 19%

Sales '08-09
US\$ - 30 billion

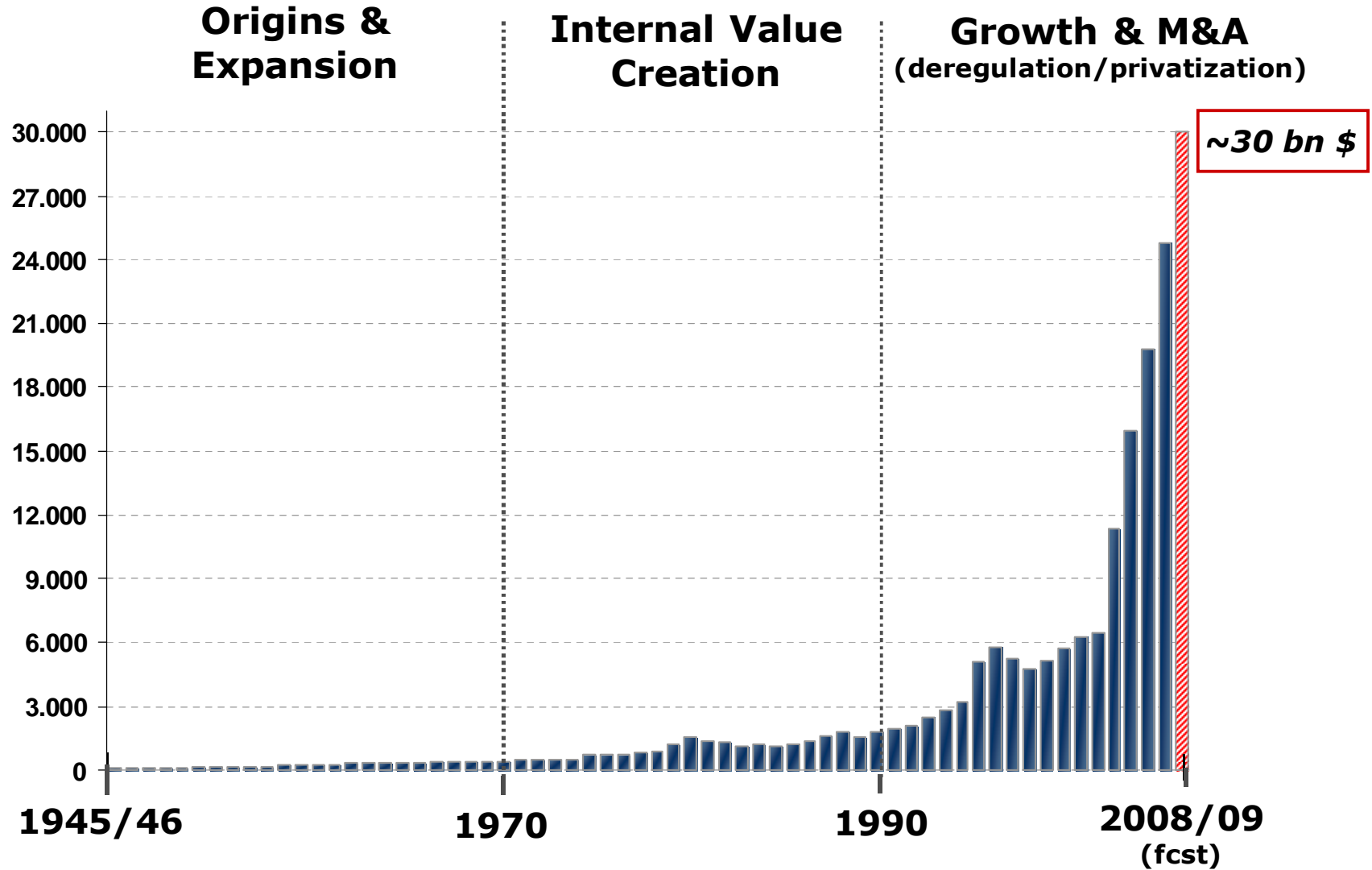


NAFTA = 37%

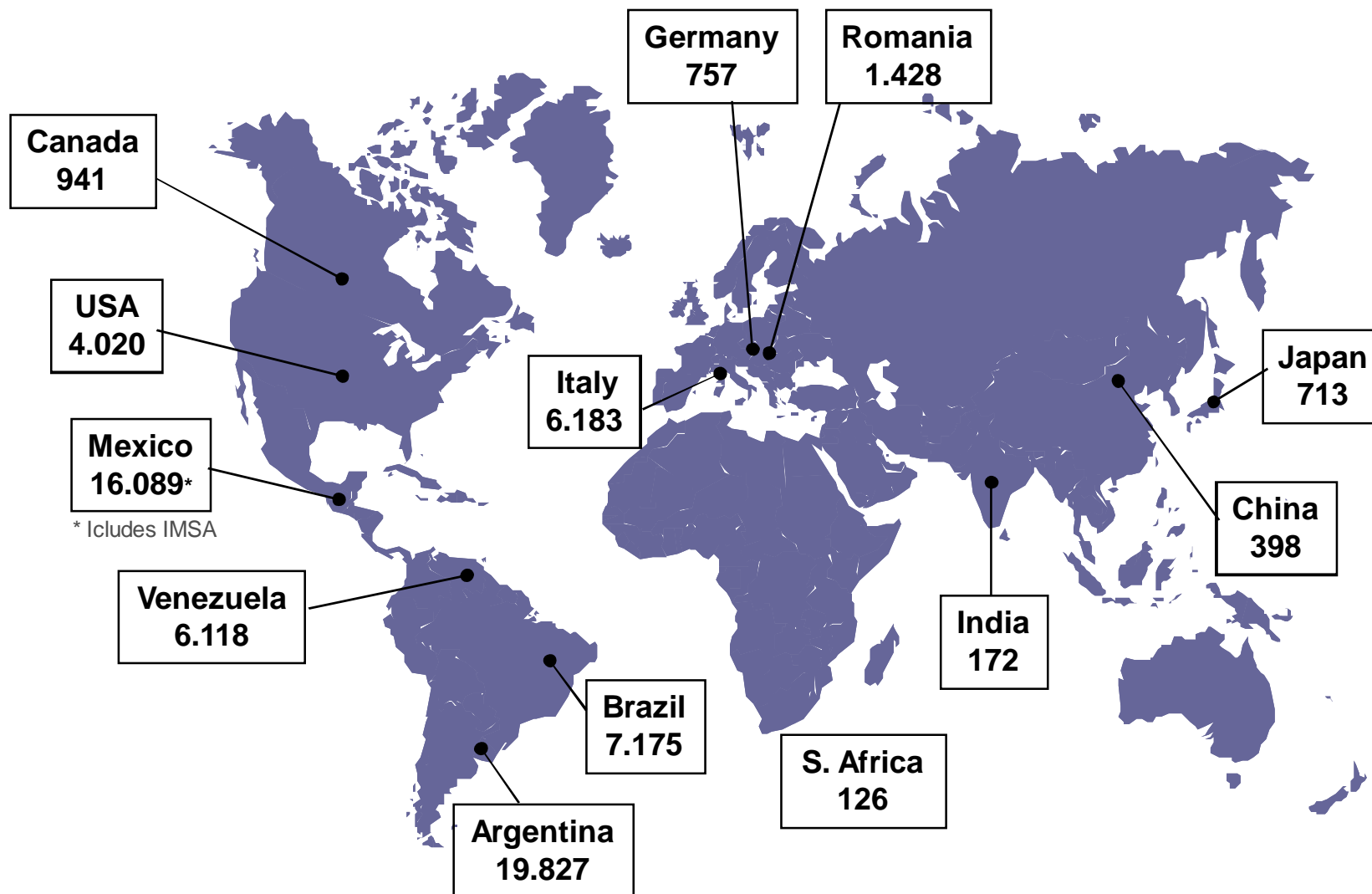


Techint Group - Key Figures: Growth

million USD



Techint Group – Key Figures: Human Resources Distribution



Over 65.000 employees worldwide

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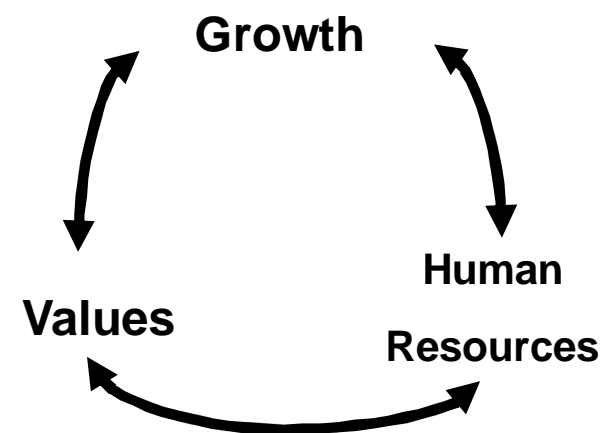
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Techint Group: Human Resources Strategy for Growth

Human Resources sharing a common vision & values

- Industrial commitment
- Long term vision based on competitive advantages
- Social responsibility towards the local environment
- Scientific management →
- Engineers approach: vocation on development of complex projects and construction of plants and organizations
- Growth based on Human Resources internal development →



Techint Group: Scientific Management



Postgraduates → 3.051 people

USA – Total Post-Graduate Degrees (MBA/MSC/PhD/Sloan/Executive/Others)	
MIT	54
Stanford University	52
Harvard University	49
University of Pennsylvania, Wharton	11
Cornell University	11
University of California, Berkeley	11
Others Univerisities	137
Total	325

Europe – Total Post Graduate Degrees (MBA/MSC/PhD/Sloan/Executive/Others)	
Politecnico Milano	41
Bocconi	22
Others in Italy	42
Total in Italy	105
INSEAD (France)	10
IESE (Spain)	10
EOI - Politecnica de Catalunya (Spain)	213
UK (Manchester, London ecc.)	30
Total	368

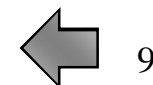
Postgraduates

Field of study n. of people % on tot.

Eng. and Technology	1375	45%
Economy and Adm.	1311	43%
Others	365	12%

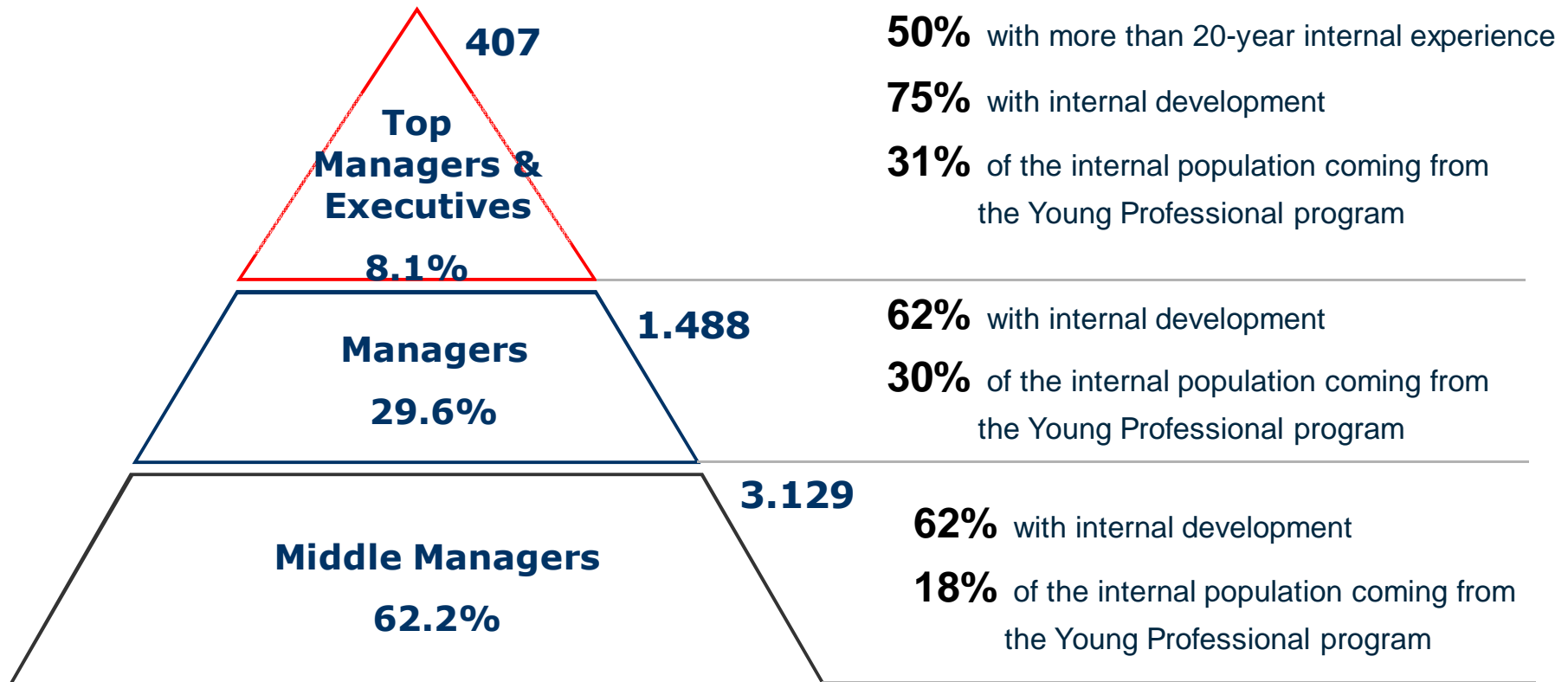
Neo-Graduated-historical evolution

'02/03	'03/04	'04/05	'05/06	'06/07
818	713	1025	1038	1773





Techint Group: Internal Development



Development Opportunities: Young Professional Program

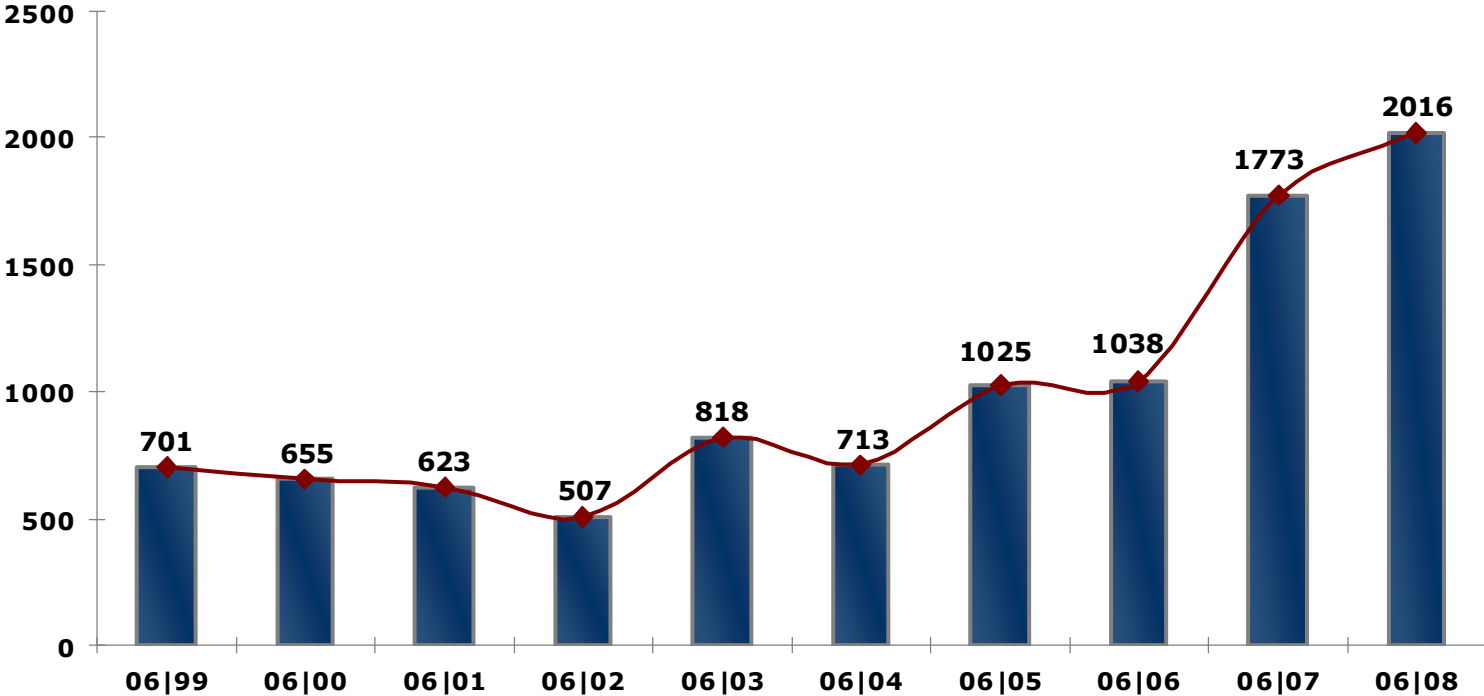


Internal Development & Young Professional Program



3.786 Young Professionals enrolled since the program launching

2.016 still in Techint Group after 25 years (55% retention)



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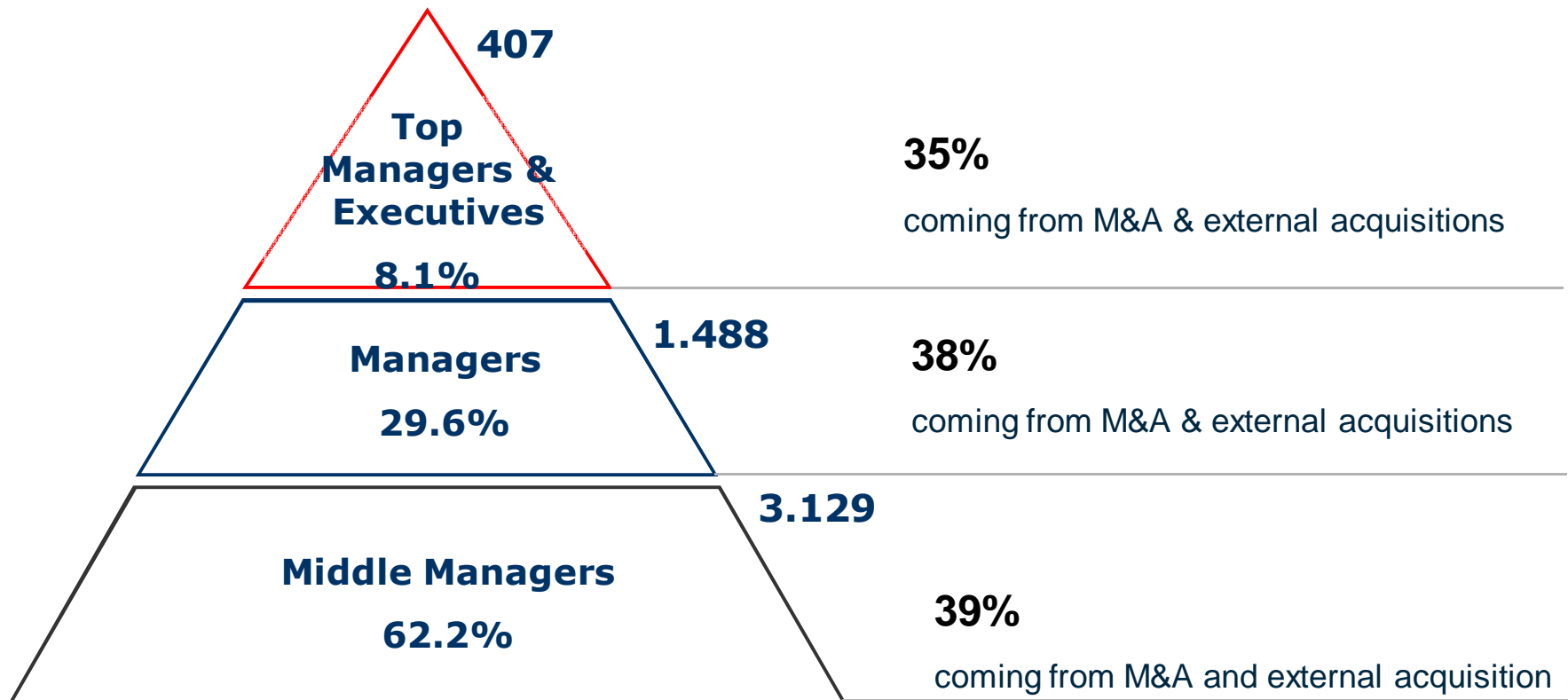
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Techint Group: discovering talents in acquired companies



Discovering & Developing Talents

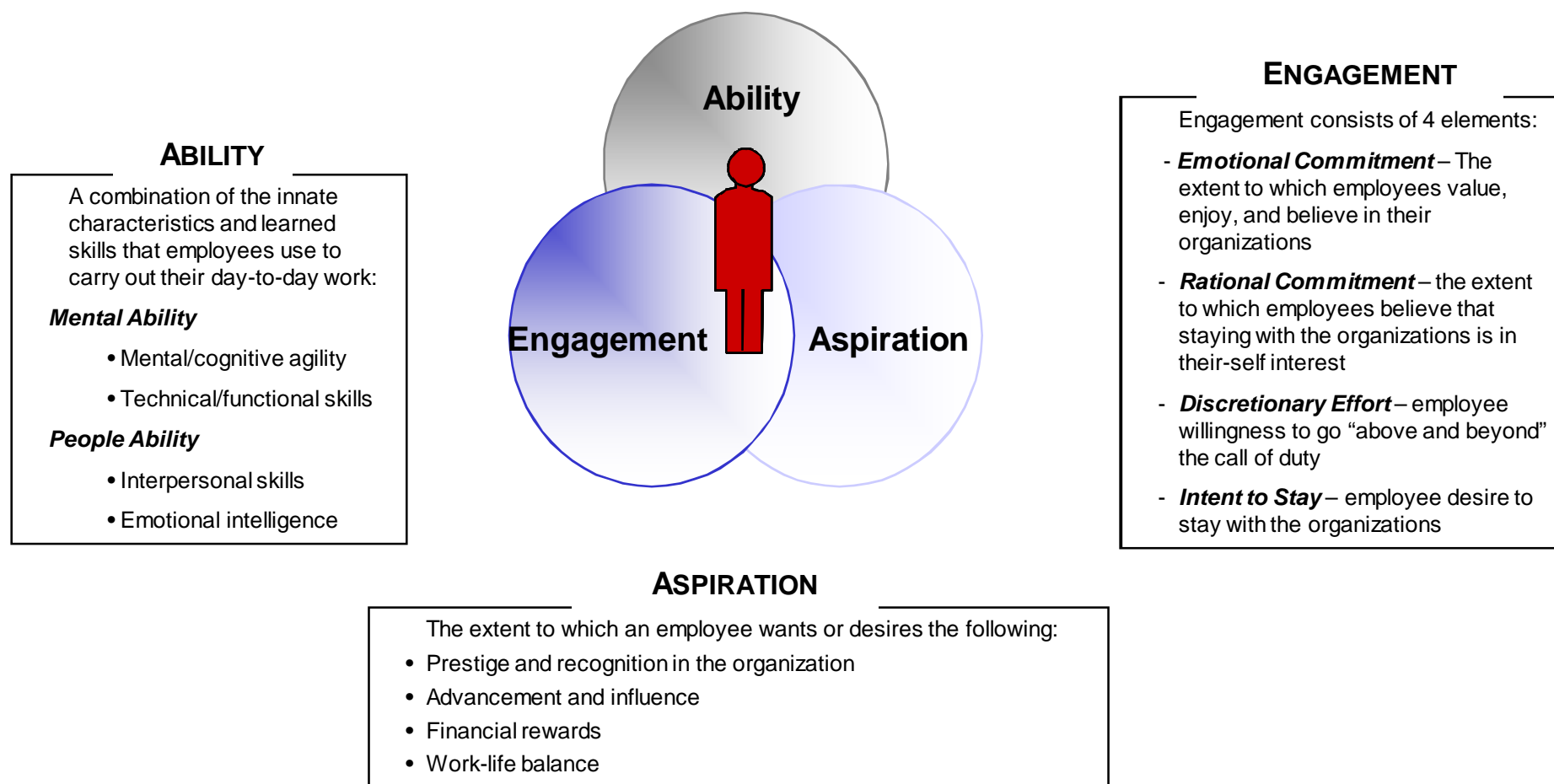


The model seeks to:

- ✓ Identify and assess at an early stage those employees with the talent and abilities to hold top positions in the organization in the future
- ✓ Establish their needs for development in specific areas
- ✓ Help them with the right level and delivery of feedback
- ✓ Provide them with the experiences necessary at the right moments in their careers to maximize their potential for growth

Identify Key Talent: What is Potential ?

Employee potential is the combination of three distinct and often disparate qualities of employees – ability, engagement, and aspiration – that increase an employee’s likelihood of succeeding in a more senior position. The effective management of employee potential is a critical component to building an organization’s future leadership capabilities.

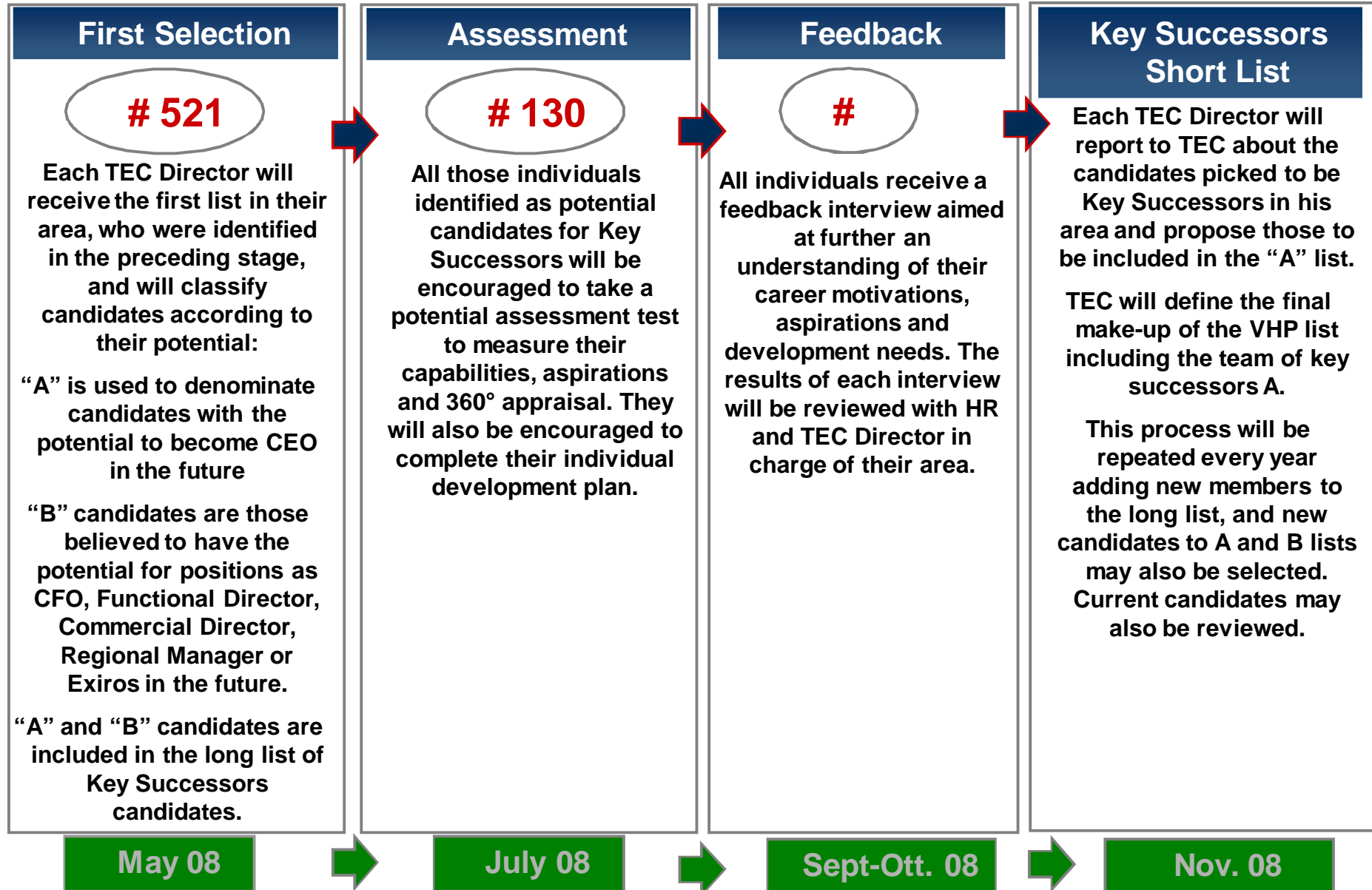




Identify Key Talents - definitions

- ✓ **High Potential (HP)**: Individuals with high growth potential are those who not seem to have significant boundaries in his/her professional growth. S/he has the potential to grow 2 HIERARQUICAL LEVELS in the next 7 years (or less), even in different functions.
- ✓ **Key Successors**: Key successors are individuals that are believed to have the potential to hold one or more of the following key company positions in the future:
 - ✓ **Key Successor “A”**: CEO position
 - ✓ **Key Successor “B”**: CFO, Functional Director, Regional Director, Commercial Director or Exiros
- ✓ **Very High Potential (VHP)**: refers to Key Successors under 35.

Identify Key Successors “A” and “B”



Development Plan by population

Key Successors

Individual development plans for this population will be defined yearly, based on the analysis of the distance between the current characteristics of the individual and the management profile defined by Tenaris.

Development Actions

Experiences:

Cross Functional + Mill + Commercial + Global

Desiderable: HR + DIAF/00100

Training:

MBA + TU Curriculum + English + others

Profile:

According to identified GAP, between real and expected

Exposure:

Institutional, Other Cultures, Top Management

..a final message



As long as we are able to keep faith to the idea of
“doing things for the passion of the thing itself”

Techint will be proud of its achievements, and
animated by a sense of justice and fairness towards
all the people who are part of it and society at large.

Roberto Rocca

Chairman of Techint Group 1978-1996

